


**TO: HONORABLE MAYOR AND BOARD OF DIRECTORS**  
**FROM: BRUCE T. MOORE, CITY MANAGER**   
**SUBJECT: 2006 BUDGET**  
**DATE: NOVEMBER 11, 2005**

I would like to utilize a portion of the November 15, 2005, Board of Directors Meeting to answer any questions regarding staff's recommendations to date and discuss any other Board of Directors budget priorities. It is my intention to have a recommendation regarding employee raises prior to the November 29, 2005, Board of Directors Agenda Meeting.

Attached is a summary of the following:

- 1) 2005 and 2006 General Fund and Enterprise Fund Budgets
- 2) Proposed Fee Increases for Construction Related Permits for 2006
- 3) Review of the 2006 Pulaski County Budget Reductions

If additional information is needed, please advise.

**CITY OF LITTLE ROCK**  
**2005 - 2006 EXPENDITURE BUDGET**


	2005 ADOPTED BUDGET	2006 PROJECTED BUDGET as of 11/8/2005
<b>GENERAL FUND</b>		
General Administration	\$15,959,202	\$18,330,547 *
Mayor & Board of Directors	283,541	287,067
City Manager	828,435	817,089
Community Programs	332,429	324,277
City Attorney	1,337,976	1,303,921
Cable TV	195,948	193,287
District Court First Division	1,117,649	1,112,733
District Court Second Division	1,088,243	1,084,499
District Court Third Division	445,780	440,643
Finance	2,491,745	2,406,114
Human Resources	1,230,218	1,209,447
Information Technology	2,721,648	2,693,913
Planning Development	2,102,009	2,067,723
Housing & Neighborhood Programs	3,826,517	3,818,245
Public Works	1,213,972	1,229,494
Parks & Recreation	6,437,136	6,571,313 **
Fire	26,431,092	27,629,776 ***
Police	41,816,289	43,771,357
Vacancy Reductions	(4,332,794)	(4,506,106)
<b>Sub-total General Operating</b>	<b>105,527,035</b>	<b>110,785,339</b>
<b>TRANSFERS OUT/OTHER EXPENSES</b>		
Audit Adjustment		
Grant Fund	150,000	150,000
Junction Bridge Project	42,500	15,000
Transfer out to Street Fund	443,500	443,500
Transfer out to Parks/Zoo	3,216,018	3,640,738
FUTURE-Little Rock - Special Projects/PIT	3,096,700	3,172,300
Special Project Fund	421,200	436,200
Restricted Reserve/Contingency	500,000	500,000
<b>Sub-total of Transfers Out</b>	<b>7,869,918</b>	<b>8,357,738</b>
<b>TOTAL GENERAL FUND</b>	<b>113,396,953</b>	<b>119,143,077</b>
<b>OTHER FUNDS</b>		
Enterprise		
Zoo	3,941,218	4,251,263
Golf	2,752,221	2,760,283
War Memorial Fitness Center	1,058,678	1,073,744
Concessions	122,090	121,868
River Market	903,964	842,648
Waste Disposal	14,052,970	15,923,798
Vehicle Storage Facility	1,755,850	1,580,486
Parking Garages	1,749,696	2,103,128
Public Works - Street	14,522,925	14,088,855
Fleet Services	7,136,203	7,985,601
<b>Sub-total Other Operating Funds</b>	<b>47,995,815</b>	<b>50,731,674</b>
<b>TOTAL ALL FUNDS</b>	<b>\$161,392,768</b>	<b>\$169,874,751</b>

\* Includes CATA operation and one-time costs (\$1,388,167) and Debt Service (\$1,154,389).

\*\* Includes Urban Forestry (\$237,955)

\*\*\* Includes pension, steps increase and increased Fleet costs.

**TO: HONORABLE MAYOR AND BOARD OF DIRECTORS**

**FROM: BRUCE T. MOORE, CITY MANAGER** 

**SUBJECT: PROPOSED FEE INCREASES FOR CONSTRUCTION RELATED PERMITS FOR 2006**

**DATE: NOVEMBER 8, 2005**

As part of the budget process for 2006, I have asked all Departments to review current fees and to submit any proposed increases with the preliminary 2006 budget information. The Department of Planning and Development is recommending across the board increases for construction related permits. In addition, staff is recommending new fees for residential plan review and for temporary certificates of occupancy.

It has been the Department's past practice to periodically increase fees to cover the costs for operation of the Building Codes Division, as well as other related programs. The last substantial fee increase that affected all areas of construction was January 1, 1998. On January 1, 2002, selected fee increases were implemented in some of the sub-categories of the construction trades. In addition, the commercial plan review fee was increased in 2002; however, there were no increases in 2003, 2004 and 2005.

With the proposed fees, the largest increase will be in building permits and increases will range from 37% to 45%. Currently, the City of Little Rock's fees are higher than other cities in Central Arkansas, with the exception of the City of North Little Rock, which are the same as Little Rock. Little Rock's fees are less than the City of Fayetteville's, which are based on the 1191 Standard Building Code, which has been the benchmark for fee calculations, and will continue to remain less even with the proposed increase. The proposed fees for electrical, plumbing and mechanical permits will increase 5% to 15%.

Based on the level of activity during 2004, the new fee proposals for 2006 should generate approximately \$350,000 dollars in additional revenue.

If the additional information is needed, please advise.


## Current and Proposed Residential Fees

[illegible]

## Current and Proposed Commercial Fees

[illegible]

**TO: HONORABLE MAYOR AND BOARD OF DIRECTORS**

**FROM: BRUCE T. MOORE, CITY MANAGER** 

**SUBJECT: PULASKI COUNTY BUDGET MEMORANDUM**

**DATE: NOVEMBER 11, 2005**

At the November 8, 2005, Board of Directors Agenda Meeting, staff was asked to provide an analysis of October 17, 2005, memorandum from Pulaski County Judge Buddy Villines regarding the County's budget reductions. Bob Biles, Bryan Day and I have reviewed the document, and the comments and questions below are intended to obtain information the Board of Directors might need to better understand the County's financial situation:

- According to the memo, the County Judge was not aware until October 2005 that 2006 County revenues would only support 85% of the 2005 budget expenditures. Had the County been spending more than it received and for how many years?
- The amount available for appropriation in 2006 is \$50,600,000. Does that include the use of fund balances remaining at December 31, 2005, and if so, how much? What is the estimated ending fund balance at December 31, 2005?
- Insurance increases for 2006 are \$800,000. Is the County absorbing the full cost of insurance increases or are County employees sharing a portion of the increase? If so, how much of the increase are employees going to share? How have recent insurance increases been split between the County and its employees?
- Reductions of \$7,600,000 have been identified; however, only \$7,000,000 is needed. This will apparently leave the County with a contingency fund of \$600,000 for a projected budget of \$50,600,000. The City has budgeted a contingency fund of \$500,000 for an \$113,000,000 budget. Would it be possible to reduce the 2006 contingency? Does the County factor in some savings for the normal level of vacancies?
- It was noted that the County began receiving a smaller portion of the County-wide sales tax in 2001. What has been the growth rate in County sales tax growth since 2001? Did the County reduce its budget when the sales tax percentage dropped from 19.6% to 14.2%? What was the County budgeted

expenditures and revenues for 2000 through 2005? What were the actual expenditures and revenues for 2000 through 2005?

- The memo states that the number of employees needed to operate the jail has increased. What has been the number of FTE's for the jail from 1993 through 2005? Why did the number of positions increase? How many beds were available each year? What were the specific reasons that the detention facility budget increased from \$4,900,000 in 1993 to \$19,600,000 in 2005?

If additional information is needed, please advise.